

Consumer Trends

The last few years have been turbulent for the tourism industry. A weak economy, combined with the effects of 9/11, SARS, and the threat of terrorism have all combined to negatively affect the travel behavior of the general public. Most recently, the war with Iraq caused some to postpone or cancel both business and leisure travel plans. Additionally, people have been reluctant to travel longer distances and to international destinations. Nevertheless, according to YPBR/Yankelovich Partners, 61% of leisure travelers say that attractive discounts or promotional offers from airlines, hotels and on complete vacation packages would get them to take a leisure trip that they otherwise planned to cancel because of the war in Iraq.⁵ People also plan their trips at the last minute and do a lot of price shopping on the Internet. Nevertheless, now that the economy is showing signs of improvement, there is cautious optimism that the upcoming years will be good for the travel and tourism industry.

A number of trends have emerged in light of these world events:

- **Family comes first.** A trend underway for much of the past several years, the move to reconnect with family and build stronger relationships was accelerated after September 11th. One study showed that 71% of parents wish their family spent more time together as a group, and 69% wish they had more time to just sit and talk with their kids. Furthermore, multi-household leisure travel with extended family and friends is also being practiced by 80% of leisure travelers.⁶
- **Not enough time.** Many people have to deal with time poverty. In the YPBR/Yankelovich study, 51% agreed that they don't have enough vacation time. In fact, 54% percent take vacations that last less than four days, and a Saturday stay is included. Clearly, people feel like they have less time for leisure, and they include the weekend in their vacation time. Another 23% of those surveyed take a vacation of less than four days during weekdays, and only 23% take an extended vacation longer than 5 days.⁷
- **Reduce Stress.** In this modern world of cell phones, pagers, laptop computers, etc., work can follow people home and on vacation. People seem to have a need to truly get away from it all and there are a lot of options. Cruises continue to be formidable competitors of land-based resorts. Spas are popping up all over the place as people strive to reduce stress. Additionally, travelers have shown interest in making connections with nature. More interest in outdoor recreation activities and travel to rural America has been demonstrated.⁸ This trend should bode well for Utah's travel and tourism industry.
- **Due to the Internet, value and brand charisma are even more crucial.** Given the weak economy of recent years, unemployment has been higher than normal and people are saving less. People are purchasing with credit more often now than in the past, and while consumer confidence has been on the rise recently, it's still below pre-9/11 levels. Consequently, 82% of those surveyed say they always attempt to negotiate the best rate when making hotel reservations.⁹ In fact, obtaining a better deal than the next person is almost considered a status symbol for today's traveler. Consumers have more choices, and consequently, more control. Sixty percent of respondents agreed that this greater control is the single most important change created by the Internet. The use of the Internet by both business and leisure travelers continues to increase. Consumers want to customize products and services to meet their own needs and desires. Comparative shopping sites, auction sites, and more looking than booking, combined with last minute booking has affected most destinations and service providers in the industry. Peter C. Yesawich pointed out that because of these changes in the industry, brand charisma is extremely important. Brand charisma is where a brand has such tremendous appeal that a customer will go out of his/her way to use that brand (or visit that destination).¹⁰ Value, service, customization, and offering something unique are all important factors in standing out from the crowd.

⁵ 2003 National Leisure Travel MONITOR™, KYPBR/Yankelovich Partners, 2004.

⁶ Ibid.

⁷ Ibid.

⁸ Outlook on U.S. Tourism and Overview, Travel Industry Association of America, 2003.

⁹ 2003 National Leisure Travel MONITOR™, KYPBR/Yankelovich Partners, 2004.

¹⁰ Ibid.